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TAGS: PREL PGOV PINS PTER IZ

SUBJECT: IRAQI POLITICAL LEADERS EMPHASIZE IMPORTANCE OF
BAGHDAD SECURITY AND MODERATE FRONT, AT DINNER WITH DEFENSE
SECRETARY GATES

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Classified By: Ambassador Zalmay Khalilzad for reasons 1.4 (b) and (d).

¶1. (S) Summary: At a dinner December 20, in honor of
Secretary of Defense Gates, Iraqi political leaders

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underscored the fundamental importance of the new plan for
Baghdad Security as well as steps to forge a new moderate
political front to allow the government to marginalize and
attack extremists. It was critical that the new strategy for
Baghdad produce tangible results to restore hope for the
Iraqi people and reduce the influence of extremists
emboldened by the mixed results of earlier plans. The
leaders also emphasized their belief that Iraqi forces should
begin to assume the lead in the fight against militias and
terrorists, with Coalition Forces providing critical support.
Kurdistan Regional Government President Masoud Barzani saw
little hope for reconstruction in much of the country without
security, while Deputy PM Barham Salih saw hope for economic
resurgence after the expected passage of a Hydrocarbons law.
National Security Advisor Mowaffak al-Rubaie and others
expressed confidence that we will ultimately succeed in Iraq,
but stressed the importance of patience, as it will take time
for solving Iraq's many problems. Iraqi President Jalal
Talabani said we could win together with strong coordination
and a comprehensive plan. End Summary.

¶2. (S) Iraqi guests at the December 20 dinner hosted by the
Ambassador in honor of Defense Secretary Gates included
President of Iraq Jalal Talabani, KRG President Barzani, Vice
President Adel Abdul Mahdi, Vice President Tarik al-Hashimi,
Deputy Prime Minister Barham Salih, and Dr. Hajim Hassani,
former speaker of the Iraqi national assembly. U.S. guests
included Secretary Gates, Under Secretary of Defense for
Policy Eric Edelman, Chairman of the Joint Chiefs of Staff
General Peter Pace, Commanding General George Casey, Special
Assistant to the SecDef Robert Rangel, and Political
Counselor Margaret Scobey.

KRG PRESIDENT BARZANI: THERE MUST BE NO HESITATION

¶3. (S) In a discussion before the dinner, KRG President
Barazani welcomed the Defense Secretary on his first trip to
Iraq as Secretary. He noted that the CF continued to play a
critical role in Iraq, as there were still many problems with
regard to security and stability. That said, Barzani noted
there were some bright spots. The political parties were
close to concluding agreement on a draft Hydrocarbons law
that would ensure an equitable distribution of oil profits

and increase investment in oil production and exploration. A Norwegian firm was now working on a new field in Zakho and would be able to move ahead with the project when the law is finally passed.

¶4. (S) CG Casey asked Barzani if he was satisfied with progress in Iraq. Barzani expressed concern about hesitation by the Iraqi government and emphasized the need for firm determination against terrorists and violators of the law. As long as there was hesitation, there would be no results. Barzani reflected that the former Kurdish opposition in Iraq under Saddam used to be alone, with few weapons and no food, but did not hesitate to fight. "Now we have much more, plus the Americans, but we are hesitating -- I don't understand." Without security in Iraq, in Barzani's view, the idea of reconstruction could be "little more than talk." Huge amounts of money had been spent on reconstruction, but much of it had been wasted primarily as a result of the violence. The exception he saw was in Kurdistan, where violence was much less of a problem.

¶5. (S) Barzani later stated at dinner that Iraq's insecurity stemmed from two sources: terrorism, which had international roots; and sectarian violence, which he emphasized did not constitute a civil war. Barzani underscored the need to work harder to enlarge the political base in support of the Iraqi government. He hoped the planned moderate front would produce a government that gets along with itself, not one with "landmines" as existed now. He noted that there had been some momentum on the political front in recent weeks, but it should be quicker. He agreed with CG Casey's assessment that that Iraq's politicians were not as fast as the soldiers wanted. At the same time, Barzani stated, the Government needed to enforce the law equally on everyone and not allow certain groups to carry out violence with impunity. The CG noted that the Prime Minister had also begun saying this, and the recent CF seizure of three important Jash al Mahdi (JAM) leaders was an important step forward. Barzani stated there

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was no option but to win in Iraq. He expressed appreciation to the U.S. for helping build a free, new Iraq.

NSA RUBAIE: WE'RE AT AN IMPORTANT JUNCTURE

¶6. (S) NSA Rubaie stated that the SecDef had arrived in Baghdad at an important juncture -- the GOI and Coalition were moving forward with an enhanced plan for Baghdad security which he believed would produce results. The plan merged ideas from the PM's office, MNF-I, and the Iraqi Ministries of Defense and Interior. He noted the centrality of MNF-I leadership in implementing the plan, but underscored the importance of letting Iraqi Security Forces (ISF) take a lead. The Secretary asked if the ISF were ready to stand alone. Rubaie replied that it was critical that the ISF have the chance to prove they could act. Three years ago Iraq had nothing in terms of security -- now it had a standing army, functioning ministries, and an intelligence service. Moreover, the Iraqi paradigm had shifted to a new democratic order. In Rubaie's view, it was time to transfer leadership over Iraqi security to Iraqis, with CF providing support. That said, he acknowledged, there was still progress needed in terms of equipment, tactics, and intelligence. Iraqi leaders also needed to forge a true national compact that would lead to political solutions. From the U.S., Rubaie urged "strategic patience," as it would take time to solve Iraq's many problems.

¶7. (S) Defense Secretary Gates said he, too, welcomed the new Baghdad Security Plan as well as the idea of Iraqi leadership on security. The core U.S. objective remained how best to support Iraqi leaders, including in developing and applying equally the Rule of Law. With regard to patience, the SecDef reminded NSA Rubaie that the U.S. had remained a predominant

power in the Gulf -- and intended to remain engaged in the region -- for a long time. Just as the U.S. maintained a consistent policy toward the former USSR, there was a bipartisan commitment in Washington to winning the GWOT. Our engagement in this war remained firmly within our national interests, and those who support or carry out terror were mistaken if they thought they could outlast us. The Ambassador added that the level violence in Baghdad, especially the sectarian violence, should not be allowed to impact the democratic political process. Bending to the will of terrorists and those who break the law would embolden those who do not support the new Iraq and would have a negative impact on the region more broadly.

18. (S) Rubaie underscored the importance of a central command for Baghdad and agreed with the SecDef and CG Casey that there should be a timeline for each step of the plan, with the goal of having a palpable reduction in violence by March or April. The Ambassador stressed the need to find the appropriate balance between Iraqi and CF leadership in implementing the plan. He noted that allowing Iraqis to assume a degree of leadership of the plan would be politically significant for the Maliki government. Rubai acknowledged a political dimension, but added that the GOI believed the longer the Iraqi Security Forces remained under Coalition Forces, the more likely it was that the ISF would become dependent on the CF. The ISF would not immediately meet U.S. standards, but Rubaie believed nonetheless that they could respond effectively if given adequate intelligence. He emphasized that Iraqis can react effectively; they can take on more responsibility; and they have the resources to do this. President Talabani agreed, but added this would still not diminish the fact that Iraq would need CF support for a long time. He emphasized the importance of cooperation and coordination.

VP MAHDI: WE MUST FIGHT MILITIAS, TERROR; IMPROVE COORDINATION

19. (S) Iraqi Vice President Adel Abdul Mahdi asserted that any successful plan for security in Baghdad must have two components -- fighting the militias and terrorists; and better coordination between ISF and CF. In addition, there must be a plan to hold sectors that have been cleared. Mahdi also expressed concern about infiltration by Sadrists and others, who would know our plans. Beyond papers and roadmaps, he said, we also need decision and action, including on the economic and political fronts. He noted the importance of creating a new moderate center of gravity to help the government, which he said was not currently using

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its resources in a manner to achieve victory. Iraq must fight terror, but that was not all that needed to be done for stability and security. Defense Secretary Gates asked if provincial elections would contribute to stability. Mahdi said they could be difficult, particularly in Sunni areas and parts of the South.

VP HASHIMI: TREAT MILITIAS AND TERRORISTS THE SAME

110. (S) Vice President al-Hashimi expressed concern that there had already been two Baghdad Security Plans, and now we were preparing for a third. He expressed reservations with the way in which these plans were implemented, which he characterized as "last minute and careless." He also asserted that, even when we increase the number of troops, we don't have enough actual combat troops. He estimated the ratio of combat to logistics troops at 8 to one. CG Casey replied that although there were many troops not in the field, they were still combatants and critical to the military effort. Hashimi stated "what we need is boots on the ground, and soldiers at checkpoints." He asked rhetorically if there had

truly been thorough analysis of the number, type, and quality of troops needed. Hashimi also expressed reservations about the quality of MOI and MOD forces, including where their loyalties lie. He assessed that many in the lower ranks were aiding the militias and -- particularly in the MOI -- many were actually militia members. Hashimi also noted the low number of militia members captured, when related to the high number of terrorists in detention. Even when captured, he asserted, militia members were not treated as equal to the terrorists.

¶11. (S) At the same time, Hashimi believed we needed to look for other means to combat extremism in Sadr City beyond security measures. He stressed the importance of job training programs.

DEPUTY PM SALIH: ECONOMIC DEVELOPMENT IS KEY

¶12. (S) Deputy PM Barham Salih emphasized that economic development was a key towards stability and security. He lamented that 2006 had not been a good year for budget execution, although there had been more success in the provinces. He planned to push for a greater pace in spending in 2007, particularly in Baghdad. There was still much room for progress in capacity development and reconstruction. Corruption also remained a major problem. Within the new budget there was 10 billion USD for capital investment, 7.3 billion USD for security, and 600 million USD for DDR, pensions, and reconstruction. Salih believed 2007 would be marked by economic progress, particularly if new investment flows in following passage of the Hydrocarbons Law.

¶13. (S) Defense Secretary Gates asked Salih if there had been any movement on the PM's plans for a cabinet shuffle. Salih reported no decisions, although Maliki had asked some political blocs to look again at their ministers and propose changes.

PRESIDENT TALABANI: NO ALTERNATIVE BUT MODERATE FRONT

¶14. (S) President Talabani reiterated his belief that unity of the moderate forces was the only alternative to allow the government to marginalize and attack terrorists and the JAM. He believed the parties would complete their discussions for forming the new front by the end of the year. He hoped the moderate front would be able to correct the mistakes of the current government. He also hoped it would help invigorate the Council of Representatives. We could win together in Iraq with strong coordination and a comprehensive plan. He asked Defense Secretary Gates to send his highest regards to President Bush, whom Iraqis will never forget for his commitment to liberate their country. Defense Secretary Gates said it was also important to recognize Iraqis who have made sacrifices, including those who have died for their country.

KHALILZAD